

**MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-ninth Session
June 2, 2017**

The Senate Committee on Transportation was called to order by Chair Patricia Farley at 10:32 a.m. on Friday, June 2, 2017, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Patricia Farley, Chair
Senator Kelvin Atkinson, Vice Chair
Senator Don Gustavson
Senator Scott Hammond
Senator Mark A. Manendo

STAFF MEMBERS PRESENT:

Michelle Van Geel, Policy Analyst
Darcy Johnson, Counsel
Debbie Shope, Committee Secretary

OTHERS PRESENT:

Scott Scherer, Regional Transportation Commission of Southern Nevada
Kerrie Kramer, National Association for Industrial and Office Parks
Brian Reeder, Nevada Contractors Association
Paul Moradkhan, Las Vegas Metro Chamber of Commerce
Kelly Crompton, City of Las Vegas
Sara Chohagian, Las Vegas Global Economic Alliance
Irma Fernandez, Legislative Aide to Assemblywoman Bustamante Adams

CHAIR FARLEY:

We will call the sponsor of Assembly Bill (A.B.) 399 to the table.

ASSEMBLY BILL 399 (2nd Reprint): Establishes the Nevada State Infrastructure Bank. (BDR 35-1129)

SCOTT SCHERER (Regional Transportation Commission of Southern Nevada):
I was asked to present this bill. Assembly Bill 399 would create a State Infrastructure Bank (SIB) in Nevada. This bill is substantially similar to Senate Bill (S.B.) 517 which was heard by this Committee earlier in the Session. Senator Becky Harris offered several additional amendments to S.B. 517 when it went through the Senate Committee on Finance. Those amendments have been provided to you. They make it clear that the code of ethics would apply to the Board members and Executive Director which is in *Nevada Revised Statutes* (NRS) 281A and they would be public officers. The meetings would be subject to the Open Meeting Law. They require the Board to act in a commercially reasonable manner and to adopt application and loan forms that are substantially similar or commonly used in similar transactions. Finally, it makes clear that the Executive Director and the staff of the SIB will be paid out of the funds of the SIB.

SENATE BILL 517 (2nd Reprint): Establishes the Nevada State Infrastructure Bank (BDR 35-602)

Assembly Bill 399 has been through Assembly Committee on Ways and Means. It is my understanding that it will not need to be re-referred to Senate Finance. It is also my understanding that Assemblywoman Irene Bustamante Adams considers the amendments from Senator Harris to be friendly. Therefore, the amendments were submitted to the Committee this morning and I recommend their inclusion in A.B. 399 ([Exhibit C](#)). It will allow us to save time and avoid additional amendments from the Floor.

Madame Chair, because there has been a previous hearing on S.B. 517, and time is precious at this point in the Session, I seek your direction as to whether you would like me to give an overview of the SIBs; whether you would like me to walk through the bill; whether you would like me to focus on the differences between S.B. 517 and A.B. 399 or if I should just take questions.

CHAIR FARLEY:
Committee, are there specific questions?

SENATOR GUSTAVSON:

I would like you to go over the differences in the two bills.

MR. SCHERER:

The substantive differences, or at least the ones I am aware of, start in section 14 which is the definition of "project revenue." In S.B. 517 there was a discussion of special sources of project revenue. Assemblywoman Dina Neal had some concerns about it when A.B. 399 was heard in the Assembly. The reference to special sources has been deleted. Additionally, under this bill, there is a provision that talks about the assessments in A.B. 399 but states assessments specifically related to the project, whereas in S.B. 517 it states assessment, generally.

Section 20 of A.B. 399, which is section 19 in S.B. 517, there is a difference which was the amendment requested by Senator Becky Harris, that now specifies in subsections 6 and 7 of section 19 of S.B. 517, that the Board members are public officers and subject to NRS 281A, the code of ethics, and that their meetings are required to be conducted in accordance with NRS 241 which is the Open Meeting Law. We believe that they would have to comply anyway, but these changes made it exclusive.

Regarding section 21 of A.B. 399 and section 20 of S.B. 517: the primary difference here is S.B. 517 subsection 1, paragraph (a) of section 20 states the SIB will have perpetual succession. It was removed by an amendment in the Assembly and is not in A.B. 399. I do not know if that is substantively different. It is going to exist until this Legislature says otherwise.

Section 21 of A.B. 399, subsection 1, paragraph (r), talks about the advisory committees. The Assembly added civil engineering expertise in addition to banking and financial expertise. The civil engineering expertise is not in S.B. 517. We believe it is a good thing and are in support of that amendment.

Section 20, subsection 3 of S.B. 517 includes standards governing the conduct of the Board of Directors, which were added at the request of Senator Harris. They are not currently in A.B. 399, but they are part of the amendment that we suggested this morning to A.B. 399.

Section 22 of A.B. 399 is in S.B. 517 section 21 and there is an additional subsection on page 11, which states that, the Executive Director and

employees of the SIB must be paid out of funds made available to the SIB as authorized by the Legislature or the Interim Finance Committee (IFC). Assembly Bill 399 contains some similar language, and it made a slightly different amendment in the way it was addressed. It is addressed in section 20, subsection 8 of A.B. 399. What it said is "to the extent money is available from public or private sources for administrative costs." That was added which was not in S.B. 517 and then that same language or similar language was added in section 21, subsection 1, paragraph (q). It added in section 22, subsections 1 and 2, paragraph (a). That was a way of addressing the issue of making sure that before people are hired, there is money available to hire them. They probably both worked together so we have included the language of Senator Harris as well in our amendment.

Section 24 of A.B. 399 is somewhat different from section 23 of S.B. 517, subsection 5 which includes language requiring the loan documents and application forms to conform to the documents typically used for such transactions. This was an amendment from Senator Harris, which is included in our amendment this morning.

Finally, section 35 of A.B. 399, subsection 2 contains language requested by Assemblyman Skip Daly which expressly provides that prevailing wage requirements apply to projects funded by the SIB. We believe this is already the law in most cases, since these projects are publically funded and we do not think it is a significant change, but A.B. 399 does contain explicit language that S.B. 517 did not contain.

KERRIE KRAMER (National Association for Industrial and Office Parks):

We are in support of A.B. 399. This is something that came out of the Southern Nevada Forum and the National Association for Industrial and Office Parks is in support of anything that will get property shovel ready and ready for development with utilities and transportation. We thank the sponsors for bringing this bill forward.

BRIAN REEDER (Nevada Contractors Association):

The Nevada Contractors Association wants to register our support of this bill.

PAUL MORADKHAN (Las Vegas Metro Chamber of Commerce):

As previously indicated, this bill did come out of the Southern Nevada Forum. As many know, it is a long process for these types of priorities to come out of

the Forum. The Chamber does support this bill. We think it is good policy and it will help our community. It is an important tool for them to move forward with projects.

KELLY CROMPTON (City of Las Vegas):

As stated, this was a Southern Nevada Forum priority. We are in support of the bill and do believe that it will help us stay competitive when looking at federal dollars as well.

SARA CHOLHAGIAN (Las Vegas Global Economic Alliance):

The Las Vegas Global Economic Alliance supports this important piece of legislation. We believe it will help Nevada stay competitive and do not want to see the State miss out on a significant opportunity such as this. We encourage your support.

IRMA FERNANDEZ (Legislative Aide to Assemblywoman Bustamonte Adams):

I work for Assemblywoman Bustamonte Adams and I want to confirm that yes, the new amendments are friendly.

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CHAIR FARLEY:

We will close the hearing on A.B. 399. There being no further business to come before the Committee, the meeting is adjourned at 10:45 a.m.

RESPECTFULLY SUBMITTED:

Debbie Shope,
Committee Secretary

APPROVED BY:

Senator Patricia Farley, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	2		Attendance Roster
A.B. 399	C	8	Scott Scherer / Regional Transportation Commission of Southern Nevada	Proposed Amendment